TO: United Healthcare Insurance Co.
Office of the President
13655 Riverport Dr.
Maryland Heights, MO 63043

RE: Missouri Market Conduct Examination 0603-17 and -19-TGT
United Healthcare Insurance Co. (NAIC #79413) and ACN, Inc.

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, hereinafter referred to as "Director," and United Healthcare Insurance Company (NAIC #79413) and ACN, Inc., (hereafter collectively referred to as "UHIC"), as follows:

WHEREAS, John M. Huff is the Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereafter referred to as "the Department"), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State in Missouri; and

WHEREAS, UHIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri; and

WHEREAS, the Department conducted a Market Conduct Examination of UHIC and prepared reports numbered 0603-17 and -19-TGT; and

WHEREAS, the report of the Market Conduct Examination has alleged the following errors:

1. In some instances, UHIC used a chiropractic rider form that limited coverage in a

calendar year, in violation of the mandate of §376.1230, RSMo.

2. In some instances, UHIC denied payment of benefits for chiropractic care by limiting coverage to 26 visits per calendar year, in violation of the mandate of §376.1230, RSMo.

3. In some instances, UHIC failed to pay benefits for medically necessary chiropractic care, in that it denied claims on the basis that the insured and the provider failed to submit or re-submit a Complete Clinical Notification (CCN) in order to obtain reimbursement, relying solely upon administrative requirements rather than on any basis in medical necessity or the lack thereof. As such, the Company's actions violated §§376.1007(1), (3), and (4), 376.1230, and 376.1350, RSMo.

4. In some instances, UHIC denied payment of benefits for chiropractic care by failing to make any determination on the medical necessity of additional visits and by requiring notification within the first 26 visits in a policy period as a condition of coverage, thereby violating the mandates of §§376.1230, 376.1361, and 376.1400, RSMo.

5. In some instances, UHIC failed to pay the appropriate amount on the claims it partially covered, in violation of §376.383, RSMo.

6. In some instances, UHIC denied chiropractic claims by incorrectly coding the denials of the claims.

7. UHIC failed to include in its complaint/appeal file one complaint resolution letter as required by 20 CSR 100-8.040(2), as amended.

WHEREAS, UHIC denies the findings or violations set forth above and enumerated in the examination report; and

WHEREAS, UHIC hereby agrees to take remedial action and agrees to maintain those corrective actions at all times, including, but not limited to, taking the following actions:

1. UHIC agrees to take corrective action to assure that the errors noted in the above-referenced market conduct examination reports do not recur;

2. UHIC agrees to review its contract language with respect to chiropractic care benefits to ensure that the language in those group policies and riders comply with §376.1230, RSMo, and refile contract amendments or endorsements for all such policies whose language does not conform to the mandates of §376.1230, RSMo, within 60 days of the entry of an Order finalizing this examination;

3. UHIC agrees to review all of its H0, J0, M0, 9L, and JO coded denied claims dated 1/1/04 through the date that a final Order is entered closing this examination to identify all improperly denied claims as described in the exam report. For those claims improperly denied, UHIC must reopen and pay those claims, including interest from the 46th day after receipt of the claim to the date of payment, as required by §376.383.5, RSMo. UHIC will follow the review

process outlined in Exhibit A. A letter must be included with the refund payments or on the EOB indicating that the payments are made "as a result of a Missouri Market Conduct examination." Additionally, evidence must be provided to the Department that such payments have been made within 270 days after the date of the Order finalizing this examination;

4. UHIC agrees to take all necessary steps to assure that it administers its chiropractic care benefits in a manner consistent with Missouri law, specifically, §376.1230, RSMo, such that in determining whether to pay or deny a claim for benefits within the first 26 visits per policy period, it makes individual determinations of eligibility and medical necessity based on the individual claimant's medical records and in accordance with the provisions of §§376.1350 through 376.1390, RSMo; and

5. UHIC agrees to file documentation of all remedial actions taken by it to implement compliance with the terms of this Stipulation and to assure that the errors noted in the examination report do not recur, including explaining the steps taken and the results of such actions, with the Director within 270 days of the entry of a final Order closing this examination.

WHEREAS, UHIC is of the position that this Stipulation of Settlement and Voluntary Forfeiture is a compromise of disputed factual and legal allegations, and that payment of a forfeiture is merely to resolve the disputes and avoid litigation; and

WHEREAS, UHIC, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, which may have otherwise applied to the above referenced Market Conduct Examination; and

WHEREAS, UHIC hereby agrees to the imposition of the ORDER of the Director and as a result of Market Conduct Examination #0603-17 and -19-TGT further agrees, voluntarily and knowingly to surrender and forfeit the sum of $361,706.25.

NOW, THEREFORE, in lieu of the institution by the Director of any action for the SUSPENSION or REVOCATION of the Certificate(s) of Authority of UHIC to transact the business of insurance in the State of Missouri or the imposition of other sanctions, UHIC does hereby voluntarily and knowingly waive all rights to any hearing, does consent to the ORDER of the Director and does surrender and forfeit the sum of $361,706.25, such sum payable to the Missouri State School Fund, in accordance with §374.280, RSMo.

DATED: 7/31/09

President
United Healthcare Insurance Co.

EXHIBIT A

UHIC agrees to conduct a medical necessity review of denied chiropractic claims with dates of service 1/1/04 through the date of the final Order, in accordance with the following process:

1. UHIC will identify the universe of administratively denied claims during the time frame set forth above that were denied with the remark codes set forth in the stipulation (H0, J0, M0, 9L and JO). The companies will send a notice to each provider who submitted such claims. The notice will set forth in detail the process to be followed for a retrospective medical records review.

2. The notice will request that the provider send complete medical records for the patient within 30 days of receipt of the letter. Completion of the ACN Complete Clinical Notification form will not suffice to establish medical necessity.

3. The medical records submitted, if any, will be reviewed in accordance with ACN standards for record-keeping and medical necessity as set forth in the official ACN policies that are available on-line. The notice letter will list these policies and how to access them.

4. If the company determines that a claim is medically necessary and pays it, interest will be owed from the 46th day after the company initially received the claim until the date it was paid in full.

5. If a provider requests additional time to provide medical records to establish medical necessity, UHIC will allow providers an additional 30 days, for a total of 60 days. However, the request for an additional 30 days must be made before the expiration of the first 30 day period, and no interest will be due for the extended period to produce the medical records.

6. UHIC may deny a claim for failure to provide the requested medical information.

7. UHIC will follow its usual appeal procedures for any appeals requested by members or providers.

8. It is understood that this process will be followed only for the remediation process outlined in the stipulation. UHIC will follow state utilization review and prompt pay laws for the handling of claims received after the date of the Order.